

The House Committee on Ways and Means offers the following substitute to HB 1219:

A BILL TO BE ENTITLED  
AN ACT

To amend Chapter 7A of Title 48 of the Official Code of Georgia Annotated, relating to tax credits for low-income residents, so as to repeal certain provisions regarding legislative findings and purposes; to change certain provisions regarding the claiming and allowing of such tax credits; to provide for an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Chapter 7A of Title 48 of the Official Code of Georgia Annotated, relating to tax credits for low-income residents, is amended by repealing and reserving Code Section 48-7A-1, relating to legislative findings and purposes.

**SECTION 2.**

Said chapter is further amended in Code Section 48-7A-3, relating to claiming and allowing low-income tax credits, by revising subsections (a) and (c) as follows:

"(a) Except as otherwise provided in subsection (e) of this Code section, each resident taxpayer who files an individual income tax return for a taxable year and who is not claimed or is not otherwise eligible to be claimed as a dependent by another taxpayer for federal or Georgia individual income tax purposes may claim a tax credit against the resident taxpayer's individual income tax liability for the taxable year for which the individual income tax return is being filed; provided that:

(1) A husband and wife filing a joint return shall each be deemed a dependent for purposes of such joint return; and

(2) A husband and wife filing separate returns for a taxable year for which a joint return could have been filed by them shall claim only the tax credit to which they would have been entitled had a joint return been filed; ~~and~~

~~(3) A resident individual who has no income or no income taxable under Chapter 7 of this title and who is not claimed or is not otherwise eligible to be claimed as a dependent~~

by a taxpayer for federal or Georgia individual income tax purposes may also claim a tax credit as set forth in this Code section."

"(c) The tax credit claimed by a resident taxpayer pursuant to this Code section shall be deductible from the resident taxpayer's individual income tax liability, if any, for the tax year in which it is properly claimed. ~~In the event the tax credit claimed by a resident taxpayer exceeds the amount of income tax payment due from the resident taxpayer, the excess of the credit over payments due shall be refunded to the resident taxpayer, provided that a tax credit properly claimed by a resident individual who has no income tax liability shall be paid to the resident individual; provided, further, that no refunds or payment on account of the tax credit allowed by this Code section shall be made for amounts less than \$1.00.; provided, however, that in no event shall the total amount of the tax credit under this Code section for a taxable year exceed the taxpayer's income tax liability. Any unused credit amount shall not be allowed to be carried forward to the taxpayer's succeeding years' tax liability. No such credit shall be allowed the taxpayer against prior years' tax liability.~~"

### SECTION 3.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval and shall be applicable to all taxable years beginning on or after January 1, 2010.

### SECTION 4.

All laws and parts of laws in conflict with this Act are repealed.